FEATURING BEST PRACTICES
OF STATE AGENCIES AND INSTITUTIONS OF THE COMMONWEALTH OF VIRGINIA

Recruit and Retain Information Technology (IT) Staff

Information Technology Compensation Pilot

Virginia Commonwealth University
implemented this best practice
in January 1996

Qualifying under the	1 Establish Direction
Best Practices catalogue	11 Establish policy
	113 Establish strategies

Best Practice Summary
(how it works, how you measure it)

Virginia Commonwealth University (VCU) implemented a competency-based, broad-banded compensation plan in response to the challenges of recruiting, retaining, and rewarding Information Technology (IT) employees in a highly competitive labor market. The IT pilot provides a flexible, market-competitive system that rewards performance, encourages skill and career development, and decentralizes compensation decision-making to the department level. Key features of this program include three progressive competency levels within each classification; broad stepless market-based pay ranges; variable pay for performance; options for team-based pay, project pay, individual bonuses and for rewarding vendor certification; and opportunities to correct long-standing pay equity issues.

Processes used to measure the pilot's success include employee and manager surveys, turnover data, budgetary impact, and EEO data.

Impact on the Process Organizational Performance (OUTCOMES)

Position Classification

- Replaced approximately 36 specific state data processing classes with seven broadly defined classes customized to University technology functions

- Decentralized IT position classification to technology managers with input from Human Resources

Recruitment and Retention

- Provides technology managers with new-hire starting pay flexibility, resulting in a decline in employment offer turndowns

- Allows managers to recognize individual contributions through variable pay-for-performance increases

Career Advancement Opportunities

- Provides salary and position responsibility advancement for pilot employees who assume more complex, higher-level assignments and demonstrate increased competencies

- Offers career development experience on an assigned team or as a project leader without changing position or classification

Best Practice Qualification

Expert peer review

- VCU's IT Steering Committee received the College and University Personnel Association's (CUPA) Quality in Human Resource Practice Award at the national and regional levels.

- The pilot has been used as a model compensation plan at George Mason University and the Virginia Polytechnic Institute and State University and for a revised statewide classification plan developed by the Council on Technology Services (COTS), which was created by the Governor of Virginia. In addition, VCU has received requests for related information from California, Oregon, Missouri, and Florida, among others.

- The IT pilot has been presented nationally at CUPA and EDUCause, the association for managing and using information resources in higher education.

Superior pilot results

- Improved retention from a low turnover rate of five-to-seven percent versus 13.5 percent statewide

- Experienced minimal budgetary impact

High level of satisfied customers

- Surveys

  - First-year evaluation results indicated that 82 percent of supervisors and 75 percent of employees were satisfied or very satisfied with the project

  - Most recent survey results indicated that 84 percent of supervisors and 76 percent of employees agree on the program's positive effect on morale

- Assessments

  Human Resources

  - Promotes consultation rather than compliance monitoring

  - Supports decentralizing compensation decision-making to the departmental level where appropriate

  Information Technology Senior Management

  - Provides ability to respond quickly to changing market conditions in contrast to the current state classified structure

  Equal Employment Opportunity

- Reflects neutral distribution of salary increases with slightly higher increases for black and female employees

Employee Relations

- Shows no employee grievance filings associated with pay changes, classifications, performance evaluations, or other related program aspects despite significant culture change

- Resolved positively one employee's appeal of a performance evaluation

For Additional Information

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